

**Department of Personnel Administration
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: Excluded Employee Leave Buy Back	REFERENCE NUMBER: 2007-010
DATE ISSUED: 03/27/07	SUPERSEDES:

This memorandum should be forwarded to:

**Personnel Officers
Personnel Transactions Supervisors
Employee Relations Officers
Budget Officers**

FROM: Department of Personnel Administration
Classification and Compensation Division

CONTACT: Personnel Services Branch
(916) 323-3343
Fax: (916) 327-1886
Email: psb@dpa.ca.gov

DPA and the Department of Finance have authorized an Excluded Employee Leave Buy Back Program for fiscal year 2006-2007.

Leave Buy Back means that eligible employees in participating departments may receive payment at their regular salary rate in exchange for accrued vacation, annual leave, personal leave, and/or personal holiday credits.

Each department's participation is subject to the availability of department funds. Thus, you must pay from department appropriations all leave hours cashed out by your employees. The department certification of funding for the FY 2006-2007 Excluded Employee Leave Buy Back Program is attached. This form must be completed and returned to DPA prior to program implementation.

Departments may participate as early as April 1, 2007, but may delay participation until as late as June 30, 2007. Employees designated Managerial (M/E99), Supervisory, Confidential (S/E98/C), or otherwise excluded from bargaining (E97), for the months of April 2007 through June 2007, are eligible to participate. Eligible employees also include some additional excluded employees designated with CBIDs: E48, E58, E59, E68, E78, or E79. If an employee is designated managerial during this buy back window period, and moves to another eligible CBID designation, the employee will still be eligible for the maximum amount of leave buy back (40 hours).

The maximum amount of buy back for managerial and related classes is 40 hours. Departments cannot exceed these limits in any combination of various leave categories whether annual, personal, vacation, or credits.

An employee may only receive cash one time, in one department. Leave is to be cashed out in eight-hour increments (any combination of leave types). Because of the availability of funds issue, a department may place its own maximum "cap" on buy back hours cashed.

Departments will "key" payment information on a flow basis, but all payments under this buy back must be completed prior to July 1, 2007. For tax purposes, payments will be ordinary income in the month that payment is made. Tax withholding rates for this buy back will be: (a) Federal Tax, 28.0%; (b) State Tax, 6.0%; (c) FICA, (if applicable), 6.2%; and (d) MediCare, (if applicable), 1.45%.

Additional details will be issued by SCO in the near future providing instructions for requesting pay.

For Buy Back Program policy questions, your headquarters' personnel office staff should contact DPA's Personnel Services Branch at the telephone number or email address provided above.

/s/Daryll Tsujihara

Daryll Tsujihara, Chief
Classification and Compensation Division

Attachment